

**\*PLEASE NOTE: Since the Glendale City Council does not take formal action at the Workshops, Workshop minutes are not approved by the City Council.**

**MINUTES  
CITY OF GLENDALE  
CITY COUNCIL WORKSHOP  
April 18, 2006  
1:30 P.M.**

**PRESENT:** Mayor Elaine M. Scruggs, Vice Mayor Thomas R. Eggleston, and Councilmembers Joyce V. Clark, Steven E. Frate, David M. Goulet, H. Phillip Lieberman, and Manuel D. Martinez

**ALSO PRESENT:** Ed Beasley, City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk

**1. 2006 STATE LEGISLATIVE UPDATE**

CITY STAFF PRESENTING THIS ITEM: Ms. Dana Tranberg, Intergovernmental Programs Director, Ms. Kristen Greene Skabo, Deputy Intergovernmental Programs Director and Mr. Brent Stoddard, Legislative Coordinator.

This is a request for the City Council to provide direction on proposed state legislation, consistent with the approved 2006 state legislative agenda.

The purpose of the 2006 state legislative agenda is to affect state legislation in relation to the interest of the city and its residents.

The 2006 state legislative agenda provides the policy framework by which Intergovernmental Programs staff engages on state legislative issues.

Throughout the 2006 state legislative session, policy direction will be sought on proposed statutory changes which fall under the adopted council policy statements relating to the financial stability of the city, public safety issues, promoting economic development, managing growth and preserving neighborhoods.

The Intergovernmental Programs staff recommends prioritizing the state legislative agenda to a few key issues to allow the city to have a stronger, more consistent message on the items of greatest priority.

The legislative agenda defines the city's priorities for the upcoming session and will guide the city's lobbying activities at the Arizona State Legislature. The Intergovernmental Programs staff will come before the Council on a regular basis throughout the session for direction on bills and amendments that may be introduced. The city's legislative agenda is a flexible document and may change, based on activities at the Legislature and Council direction.

On January 17, 2006 and February 7, 2006, the Council provided policy direction on bills of municipal interest.

On December 20, 2005, the Council approved the 2006 State Legislative Agenda, which included policy statements on municipal legislative priorities and principles.

The priorities and principles of Glendale's 2006 state legislative agenda provide the venue for the city to identify and engage on state legislative issues. The key principles of the state legislative agenda are: to preserve and enhance the city's ability to deliver quality and cost-effective services to citizens and visitors; to address quality of life issues for Glendale residents, and to enhance the City Council's ability to serve the community by retaining local decision making authority and maintain state legislative and voter commitments for revenue sources.

Staff is requesting the Council to provide policy direction on the proposed state legislative issues.

#### State Budget Discussions

Ms. Tranberg said the state anticipates a \$1 billion surplus; however, there is a considerable amount of competition for those excess funds. She said some of the ideas being discussed include border security, education, and highway and transportation improvements. She stated staff is very supportive of the restoration of "raided" funds, explaining VLT and HURF funds were diverted in past years to help with the budget crises. She stated there will be a tax relief package; however, there is some disagreement as to the amount, the taxes that will be impacted and whether or not they should commit tax cuts for future budget years. She said staff is monitoring the discussions on both property and income tax since they could have a potential impact on the city and will keep the Council updated as to the status of those discussions.

#### Eminent Domain/Regulatory Takings

Ms. Tranberg said there are still efforts by Americans for Limited Government to proceed with an initiative; however, they have had promising discussions with legislative leadership and various legislators on some compromise language that could be implemented for eminent domain for redevelopment. She explained some of the provisions require enhanced public benefit determination, the payment of attorney's fees to a party who brings a successful action against a government finding that redevelopment meets a public purpose, and a requirement to conduct a second appraisal on the property. She expressed her opinion the provisions are very reasonable; therefore, staff recommends supporting the compromise proposal.

The Council indicated their support of staff's recommendation.

#### SB 1264, Arizona Department of Homeland Security

Ms. Skabo explained SB 1264 is a bill that came out very late in the session and is intended to create AzDHS in statute. She said the legislation included a number of provisions that they believe had unintended consequences for the Homeland Security community at large in Arizona. She stated one provision they found particularly difficult to accept was that all of the federal homeland security funds that come to the state

would now be under the jurisdiction of the legislature. She explained Arizona has a very systematic system in place to deal with Homeland Security funds, including a number of levels of committees made up of people who are charged with or have a vested interest in providing security for the state. She said the proposed bill would dismantle the current system. She stated some of the provisions are also inconsistent with what the federal government will allow. She noted Mayor Scruggs sits on the Governor's Central Regional Advisory Council, representing all 23 Mayors in Maricopa County. She said Mayor Scruggs and the Chairman of the Central Regional Advisory Council have met with the sponsor of the bill to talk about both intended and unintended consequences of the bill. She stated Senator Burns agreed to work on the bill, but would like to keep the funds under legislative control. She said, to date, they have not seen any changes to the bill. She reported the bill has made it through the Senate, passing 28 to 1, and is waiting to be heard on the Floor of the House. She stated staff's recommendation is to not support the bill.

Councilmember Martinez asked how other states disburse funds. Ms. Skabo said there are a variety of ways in which the states disburse the funds. She said they do not know of any state that currently has control over the funds; however, it is not prohibited for a state to have such control. She noted Arizona has been lauded as one of the best models in the country for the way it distributes funding.

Vice Mayor Eggleston asked about Senator Burns' rationale for submitting the bill. Ms. Skabo said he introduced the bill to correct what he considered a wrong by creating the division of Homeland Security. She expressed her opinion there was a general lack of understanding of how the Homeland Security community functions in the state. Vice Mayor Eggleston agreed they should not support the bill.

Mayor Scruggs voiced Council's consensus to not support the bill.

#### HB2740, Liquor, Restaurant License for Grills

Mr. Stoddard explained HB 2740 creates a new class of liquor license within the existing Restaurant class. He explained under current statute a Restaurant licensee has to demonstrate that they have 40 percent of food sales as a total of their gross revenues; however, the proposed bill would allow a restaurant that falls below 40 percent but remains above 30 percent to maintain their Restaurant license under the new class. He stated the bill allows businesses that are exercising their food sales well below the currently required amount to continue to be a restaurant rather than having to obtain a more expensive bar license. He said the bill exempts them through vague language and creates a situation where loopholes allow them to be located within the 300 foot rule of churches and other uses within strip malls. He stated there is no limit on the number of "grill" licenses that could be issued and there is very limited opportunity for input from cities. He said staff has been working aggressively with neighborhood groups and encouraging residents to contact their legislators through the Legislative Link System or by email. He stated staff recommends they continue to oppose the bill.

The Council indicated their support of staff's recommendation.

Councilmember Clark referred to HB 2136, Local Building Construction Procedures, which requires cities to authorize the design and construction of a public building in accordance with Title 34. She asked Ms. Tranberg to explain Title 34. Ms. Tranberg explained the bill was brought forward by several jurisdictions to provide clarification. She offered to research the bill and get back with Councilmember Clark on the details.

Mr. Tindall said Title 34 relates to the bidding process in the Design Build Statute, noting Glendale has followed Title 34 in the past several projects it has undertaken.

Councilmember Clark referred to SB1044, Water/Wastewater/Sewer Service Rates, noting the last sentence says "An amendment defines what is just and reasonable". She asked if they have since come up with that definition. Ms. Tranberg said the sentence should have been removed, explaining an amendment was proposed that defines "just and reasonable". She said the term is not defined in state statute; therefore the existing standards used by cities remain in place. Councilmember Clark asked Ms. Tranberg to further research this issue.

Councilmember Goulet asked if several cities oppose SB1243. He also asked if those who sponsored the bill believe offering tax incentives is a giving away of money. Ms. Tranberg said the bill was introduced by Senator Chevront who has a philosophical belief that municipal tax incentives should not be provided. She reported the bill has passed the Senate and is awaiting consideration in the House Rules Committee. She stated numerous cities throughout the valley oppose the bill. She pointed out the bill does not impact the entire state.

Mayor Scruggs asked about Senator Chevront's rationale that incentives are bad in Maricopa, Pima and Pinal Counties, but are acceptable in the other 12 counties in the state. Ms. Tranberg said there is an impression that the rest of the state is not offering incentives in the same manner as Maricopa County and other cities. She stated staff has provided documentation that proves that belief is inaccurate; however, Senator Chevront continues to feel the policies in his bill are appropriate.

Councilmember Lieberman noted Senator Nelson and Senator Burns both previously mentioned sponsoring similar legislation, asking if they ever did. Ms. Tranberg said Representative Nelson introduced a bill that would have placed a limitation on the amount of the incentive that could be given. She stated that bill passed the House, but did not get a hearing in the Senate Government Committee.

Councilmember Lieberman asked if there is any feeling that a two-thirds majority vote might overturn the Governor's veto of the immigration bill. Ms. Skabo said she would have to look to see the percentage at which it passed both chambers.

Councilmember Frate asked if the provision that was tacked onto a bill that would move all Maricopa County elections to the fall is still going forward. Ms. Tranberg said the amendment was placed on an elections bill so all cities with a population over a certain threshold will be required to do fall elections.

Mr. Stoddard introduced himself as the Intergovernmental Programs Coordinator, stating he primarily works with Ms. Tranberg on state issues and with neighborhood groups on the Neighborhood Link program

Vice Mayor Eggleston asked about the striker for 1019. Ms. Tranberg explained a companion HCR was being considered and, while it passed the Senate, the HCR failed to pass the House. She said they do not anticipate 1019 will move forward given the vote on the HCR. She commented the bill would be terrible for neighborhoods and military installations.

## ADJOURNMENT

The meeting was adjourned at 2:00 p.m.